AMENDED CHARTER FOR THE INFORMATION REPORTING PROGRAM ADVISORY COMMITTEE

This charter is prepared and filed in accordance with the provisions of the Federal Advisory Committee Act, Pub. L. No. 92-463, 86 Stat. 770 (1972) (as amended at 5 U.S.C. App. 2 (1988)). The establishment and operation of this advisory committee is based on the authority to administer the laws of the Internal Revenue as conferred upon the Secretary of the Treasury, pursuant to section 7801 of the Internal Revenue Code and delegated to the Commissioner of the Internal Revenue.

- A. <u>Official Title</u>. The official title of the advisory committee is the Information Reporting Program Advisory Committee ("IRPAC").
- B. <u>Objective and Scope</u>. The purpose of the IRPAC is to provide an organized public forum for discussion of relevant information reporting issues of mutual concern as between Internal Revenue Service ("IRS") officials and representatives of the public. Advisory committee members convey the public's perception of IRS activities, advise with respect to specific information reporting administration issues, provide constructive observations regarding current or proposed IRS policies, programs, and procedures, and propose improvements to information reporting operations and the Information Reporting Program.
- C. Period of Time Necessary to Carry Out Purpose. Information returns are a critical component of the voluntary tax system that effect compliance and revenue across all taxpayer and/or market segments. As a result of the burden placed on taxpayers, reporting entities, and stakeholders by information reporting requirements, the IRS structure, organized around taxpayer segments, requires effective program management and application of a coordinated approach when addressing information reporting issues. Therefore, there is a critical and continuing need for the IRS to understand the public's perception of information reporting issues and activities, as addressed by its Information Reporting Program, and to remain apprised of such issues/activities. As a result, the IRPAC will be in existence for an indeterminate period of time.
- D. Reporting. The IRPAC shall provide written reports to the Commissioner of the Internal Revenue or delegate at least annually, such reports to include a discussion of issues identified for consideration and pertinent recommendations as well as a self-assessment of the work of the advisory committee relative to its objectives. Reports and recommendations are for advisory purposes only and are made directly to the Commissioner of the Internal Revenue who is solely responsible for any action taken with respect to such recommendations.
- E. <u>Support Services</u>. The Office of National Public Liaison provides all necessary support services for the IRPAC.
- F. <u>Duties and Responsibilities</u>. Designed to reduce taxpayer burden and improve the overall administration of information reporting, the IRPAC serves as an advisory body to the Commissioner of the Internal Revenue. The IRPAC's duties are to

identify research, analyze, and provide recommendations regarding specific information reporting issues, current or proposed IRS information reporting policies, programs, and procedures, and, when necessary, suggest improvements to information reporting operations and/or administration of the Information Reporting Program.

The body of the IRPAC consists of not more than thirty-five (35) members, uniquely qualified to identify and resolve strategic matters associated with information reporting in tax administration. IRPAC members, serve a three-year appointment, and are selected through a structured application process that targets members with skills in a long-range, strategic planning, and bases selection on several factors, including: stakeholder segmentation, geographic location, industry representation and influence in channel communication and preferences, technology adaptation, life cycle data reporting, economics and specific product/service usage. Managed by the IRS, this selection process provides a diverse and balanced membership representing, a cross-section of the taxpaying public.

- G. <u>Subcommittees.</u> The IRPAC may create subcommittees that report to the parent Committee. These subcommittees are issue driven and named accordingly, changing from year to year.
- H. <u>Annual Operating Costs</u>. The estimated annual costs to operate the IRPAC are \$550,000, including staff salary for approximately three full-time equivalents ("FTE"). Costs include travel, telephone, printing, representation fund and other operating expenses. While IRPAC members are not compensated for their services, they are reimbursed for travel-related expenses to attend one orientation session, three working sessions and a minimum of one public meeting per year in accordance with 5 U.S.C. section 5703 (as for persons employed intermittently in government service).
- I. <u>Number and Frequency of Meetings</u>. The IRPAC typically conducts one orientation session, at least one but no more than two public meetings two days in duration and several two-day working sessions, not to exceed five, each year.
- J. <u>Termination Date</u>. The termination date for the IRPAC is two years from the original filing date set out in paragraph K below.

K. <u>Filing Date</u>. The filing date of this amended charter is _____. The filing date of the original charter was November 2, 2007.

Date: 3/16/09

Submitted by:

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Approved by:

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